

AMENDED IN SENATE JUNE 20, 2005

AMENDED IN ASSEMBLY MAY 27, 2005

CALIFORNIA LEGISLATURE—2005—06 REGULAR SESSION

**ASSEMBLY BILL**

**No. 696**

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**Introduced by Assembly Member Chu**  
**(Principal coauthor: Assembly Member Lieber)**  
**(Coauthors: Assembly Members Chan, Dymally, Hancock, Jones,**  
**Koretz, Laird, Leno, Levine, Salinas, Vargas, Wolk, and Yee)**  
**(Coauthors: Senators Chesbro, Kuehl, and Romero)**

February 17, 2005

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An act to amend Section 10830 of, to add Sections 18901.55, 18920, and 18926 to, to repeal Sections 11265.2, 11265.3, and 18910 of, to repeal Chapter 4.6 (commencing with Section 10830) of Part 2 of Division 9 of, and to and to repeal and add Section 11265.1 of, the Welfare and Institutions Code, relating to public social services.

LEGISLATIVE COUNSEL'S DIGEST

AB 696, as amended, Chu. Public social services: CalWORKs and Food Stamp Program.

(1) Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program under which each county provides cash assistance and other benefits to qualified low-income families and individuals. This program is funded in part pursuant to the federal Temporary Assistance for Needy Families Block Grant. Under existing law, the a county is required to make an annual redetermination of eligibility for purposes of CalWORKs benefits, and is additionally required to redetermine recipient eligibility and grant amounts on a quarterly basis.

This bill would replace the quarterly redetermination requirement with a semiannual redetermination requirement, and would make conforming changes.

Existing law continuously appropriates moneys from the General Fund to defray a portion of county costs under the CalWORKs program.

This bill would instead provide that the continuous appropriation would not be made for purposes of implementing the bill.

(2) Existing law requires the department and the California Health and Human Services Agency Data Center to design, implement, and maintain a statewide fingerprint imaging system for use in connection with the determination of eligibility for benefits under the *CalWORKs program, excluding the Aid to Families with Dependent Children-Foster Care program, and the Food Stamp Program*—~~and other social services programs.~~

~~This bill would delete this requirement,~~ *instead, would require the Office of Systems Integration to design, implement, and maintain the system. The bill would require the fingerprint imaging system to also apply to use in connection with the determination of eligibility for benefits in conjunction with county aid and relief to indigents.*

*Existing law, with specified exceptions, requires applicants for, and recipients of, CalWORKs and Food Stamp benefits, as a condition of eligibility, to be fingerprint imaged, pursuant to the statewide fingerprint imaging system.*

*This bill would eliminate the requirement that recipients of Food Stamp benefits be fingerprinted as a condition of eligibility. The bill would also provide that a person subject to fingerprinting pursuant to these provisions shall not be photographed as a condition of receiving benefits under the CalWORKs program or the Food Stamp Program. The bill would provide that the effective date and implementation of these changes to existing law may be implemented by all county letters issued within 60 days of the date of adoption.*

(3) Existing law provides for the federal Food Stamp Program, under which each county distributes food stamps provided by the federal government to eligible households.

Existing law also provides for the Medi-Cal program, which is administered by the State Department of Health Services, pursuant to which medical benefits are provided to public assistance recipients and other low-income persons.

Under existing law, the State Department of Social Services is required to develop a program of categorical eligibility under the Food Stamp Program for persons receiving certain cash assistance for indigent persons.

This bill would require the department to establish a similar categorical eligibility program for recipients of benefits under the Medi-Cal program, when those individuals will receive or be authorized to receive TANF-funded benefits or services, that shall include appropriate referral services for eligible individuals.

This bill would require the department to undertake various actions to improve the Food Stamp Program at the state and county levels with respect to customer service and performance standards, including, among other things, development of mail-in application procedures for the program.

(4) Existing federal regulations limit participation in the Food Stamp Program *for certain participants* to 3 months during any 3-year period, unless a designated exemption, waiver, or other exception applies.

This bill would require the department to seek a waiver from ~~the Food and Nutrition Service of the United States Department of Agriculture of the 3-month time limit for this limitation on participation in the Food Stamp Program, in accordance with federal regulations. The bill would require the waiver to apply statewide or to applicable counties, based on the supporting data that is provided by the department and would authorize an eligible any county to opt out of the waiver under designated circumstances decline to participate in the waiver upon submitting documentation from its board of supervisors to that effect.~~

(5) Because counties administer the CalWORKs program and Food Stamp Program, this bill would increase county duties by potentially extending the period of eligibility for these programs for certain recipients, and would thereby impose a state-mandated local program.

(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 10830 of the Welfare and Institutions  
2     Code, as added by Section 1.5 of Chapter 206 of the Statutes of  
3     1996, is amended to read:

4     10830. (a) The department and the ~~Health and Welfare Data~~  
5     ~~Center~~ Office of Systems Integration shall design, implement, and  
6     maintain a statewide fingerprint imaging system for use in  
7     connection with the determination of eligibility for benefits under  
8     the ~~Aid to Families with Dependent Children (AFDC) California~~  
9     Work Opportunity and Responsibility to Kids (CalWORKs)  
10    program under Chapter 2 (commencing with Section 11200) of  
11    Part 3, excluding Aid to Families with Dependent  
12    Children-Foster Care (AFDC-FC), and the Food Stamp Program  
13    under Chapter 10 (commencing with Section 18900) of Part 6, *in*  
14    *conjunction with any nonhealth benefits received under Part 5*  
15    *(commencing with Section 17000).*

16    (b) (1) Every applicant for, or recipient of, aid under Chapter  
17    2 (commencing with Section 11200) of Part 3, excluding the  
18    AFDC-FC program, and Chapter 10 (commencing with Section  
19    18900) of Part 6, *in conjunction with any nonhealth benefits*  
20    *received under Part 5 (commencing with Section 17000)*, other  
21    than dependent children or persons who are physically unable to  
22    be fingerprint imaged, shall, as a condition of eligibility for  
23    assistance, be required to be fingerprint imaged.

24    (2) A person subject to the requirements of paragraph (1) shall  
25    not be eligible for the ~~Aid to Families with Dependent Children~~  
26    ~~program or the Food Stamp Program~~ CalWORKs program until  
27    fingerprint images are provided, except as provided in  
28    subdivision (e). Ineligibility may extend to an entire case of any  
29    person who refuses to provide fingerprint images.

30    (c) The department may adopt emergency regulations to  
31    implement this section specifying the statewide fingerprint  
32    imaging requirements and exemptions to the requirements in  
33    accordance with the Administrative Procedure Act (Chapter 3.5  
34    (commencing with Section 11340) of Part 1 of Division 3 of Title  
35    2 of the Government Code). The initial adoption of any

1 emergency regulations implementing this section, as added  
2 during the 1996 portion of the 1995–96 Regular Session, shall be  
3 deemed to be an emergency and necessary for the immediate  
4 preservation of the public peace, health and safety, or general  
5 welfare. Emergency regulations adopted pursuant to this  
6 subdivision shall remain in effect for no more than 180 days.

7 (d) (1) All persons required to be fingerprint imaged pursuant  
8 to this section shall be informed that fingerprint images obtained  
9 pursuant to this section shall be used only for the purpose of  
10 verifying eligibility and preventing multiple enrollments in the  
11 Aid to Families with Dependent Children program ~~or the Food~~  
12 ~~Stamp Program~~. The department, county welfare agencies, and  
13 all others shall not use or disclose the data collected and  
14 maintained for any purpose other than the prevention or  
15 prosecution of fraud. Fingerprint imaging information obtained  
16 pursuant to this section shall be confidential under Section  
17 10850.

18 (2) *A person subject to the fingerprinting requirement*  
19 *pursuant to this section shall not be photographed as a condition*  
20 *of receiving benefits under the CalWORKs program or the Food*  
21 *Stamp Program under Chapter 10 (commencing with Section*  
22 *18900) of Part 6.*

23 (e) (1) Except as provided in paragraph (2), the fingerprint  
24 imaging required under this chapter shall be scheduled only  
25 during the application appointment or other regularly scheduled  
26 appointments. No other special appointment shall be required.  
27 No otherwise eligible individual shall be ineligible to receive  
28 benefits under this chapter due to any technical problem  
29 occurring in the fingerprint imaging system or as long as the  
30 person consents to and is available for fingerprint imaging at a  
31 mutually agreed upon time, not later than 60 days from the initial  
32 attempt to complete fingerprint imaging.

33 (2) During the first nine months following implementation,  
34 recipients may be scheduled for separate appointments to  
35 complete the fingerprint imaging required by this section. Notice  
36 shall be mailed first class by the department to recipients at least  
37 10 days prior to the appointment, and shall include procedures  
38 for the recipient to reschedule the scheduled appointment within  
39 30 days.

1 (f) If the fingerprint image of an applicant or recipient of aid to  
2 which this section applies matches another fingerprint image on  
3 file, the county shall notify the applicant or recipient. In the event  
4 that a match is appealed, the fingerprint image match shall be  
5 verified by a trained individual and any matching case files  
6 reviewed prior to the denial of benefits. Upon confirmation that  
7 the applicant or recipient is receiving or attempting to receive  
8 multiple Aid to Families with Dependent Children program  
9 checks, a county fraud investigator shall be notified.

10 (g) *The effective date and implementation of the amendments*  
11 *to this section enacted in the 2005 portion of the 2005-06*  
12 *Regular Session may be implemented by all county letters issued*  
13 *within 60 days of the date of adoption.*

14 ~~SECTION 1. Chapter 4.6 (commencing with Section 10830)~~  
15 ~~of Part 2 of Division 9 of the Welfare and Institutions Code is~~  
16 ~~repealed.~~

17 SEC. 2. Section 11265.1 of the Welfare and Institutions  
18 Code, as amended by Section 1 of Chapter 826 of the Statutes of  
19 1999, is repealed.

20 SEC. 3. Section 11265.1 of the Welfare and Institutions  
21 Code, as added by Section 30 of Chapter 1022 of the Statutes of  
22 2002, is repealed.

23 SEC. 4. Section 11265.1 is added to the Welfare and  
24 Institutions Code, to read:

25 11265.1. (a) In addition to the requirement for an annual  
26 redetermination of eligibility, counties shall redetermine recipient  
27 eligibility and grant amounts on a semiannual basis using  
28 prospective budgeting. Counties shall use the information  
29 reported on a recipient's semiannual report form to prospectively  
30 determine eligibility and grant amount for the following  
31 semiannual reporting period.

32 (b) A semiannual reporting period shall be six consecutive  
33 calendar months. The recipient shall submit one semiannual  
34 report form for each reporting period. Counties shall provide a  
35 semiannual report form to recipients at the end of the fourth  
36 month of the semiannual reporting period, and recipients shall  
37 return the completed semiannual report form with required  
38 verification to the county by the 11th day of the fifth month of  
39 the semiannual reporting period.

1 (c) Counties may establish staggered semiannual reporting  
2 cycles based on factors established or approved by the  
3 department, including, but not limited to, application date or case  
4 number.

5 (d) The semiannual report form shall be signed under penalty  
6 of perjury, and shall include only information necessary to  
7 determine CalWORKs and food stamp eligibility and calculate  
8 the CalWORKs grant amount and food stamp allotment, as  
9 specified by the department. The form shall be as  
10 comprehensible as possible for recipients and shall require  
11 recipients to provide the following:

12 (1) Information about income received during the fourth  
13 month of the semiannual reporting period.

14 (2) Information about income that the recipient anticipates  
15 receiving during the following semiannual reporting period.

16 (3) Any other changes to facts required to be reported,  
17 together with any changes to those facts that the recipient  
18 anticipates will occur. The recipient shall provide verification as  
19 specified by the department with the semiannual report form.

20 (e) A semiannual report form shall be considered complete if  
21 the following requirements, as specified by the department, are  
22 met:

23 (1) The form is signed no earlier than the first day of the fifth  
24 month of the semiannual reporting period by the persons  
25 specified by the department.

26 (2) All questions and items pertaining to CalWORKs and food  
27 stamp eligibility and grant amount are answered.

28 (3) Verification required by the department is provided.

29 (f) If a recipient fails to submit a complete semiannual report  
30 form, as defined in subdivision (e), by the 11th day of the fifth  
31 month of the semiannual reporting period, the county shall  
32 provide the recipient with a notice that the county will terminate  
33 benefits at the end of the month. Prior to terminating benefits, the  
34 county shall attempt to make personal contact to remind the  
35 recipient that a completed report is due, or, if contact is not made,  
36 shall send a reminder notice to the recipient no later than five  
37 days prior to the end of the month. Any discontinuance notice  
38 shall be rescinded if a complete report is received by the first  
39 working day of the first month of the following semiannual  
40 reporting period.

1 (g) The county may determine, at any time prior to the last day  
2 of the calendar month following discontinuance for  
3 nonsubmission of a semiannual report form, that a recipient had  
4 good cause for failing to submit a complete semiannual report  
5 form, as defined in subdivision (e), by the first working day of  
6 the month following discontinuance. If the county finds a  
7 recipient had good cause, as defined by the department, it shall  
8 rescind the discontinuance notice. Good cause exists only when  
9 the recipient cannot reasonably be expected to fulfill his or her  
10 reporting responsibilities due to factors outside of the recipient's  
11 control.

12 (h) Within the semiannual reporting period, no additional  
13 reporting requirements shall exist for participants, unless  
14 required by federal law.

15 SEC. 5. Section 11265.2 of the Welfare and Institutions  
16 Code, as amended by Section 30 of Chapter 108 of the Statutes  
17 of 2000, is repealed.

18 SEC. 6. Section 11265.2 of the Welfare and Institutions  
19 Code, as added by Section 32 of Chapter 1022 of the Statutes of  
20 2002, is repealed.

21 SEC. 7. Section 11265.3 of the Welfare and Institutions Code  
22 is repealed.

23 SEC. 8. Section 18901.55 is added to the Welfare and  
24 Institutions Code, to read:

25 18901.55. (a) The department shall establish a program of  
26 categorical eligibility for food stamps for any individual  
27 receiving medical assistance under Chapter 7 (commencing with  
28 Section 14000), when those individuals will receive or will be  
29 authorized to receive TANF-funded benefits or services. The  
30 program shall include all necessary referral services for those  
31 eligible persons.

32 (b) The director shall implement the program established  
33 pursuant to this section only with the appropriate federal  
34 authorization and if implementation would not result in the loss  
35 of federal financial participation.

36 (c) To the extent permitted by federal law, a county shall be  
37 held harmless from federal food stamp error rate penalties  
38 resulting from implementation of this section.

39 SEC. 9. Section 18910 of the Welfare and Institutions Code is  
40 repealed.

1 SEC. 10. Section 18920 is added to the Welfare and  
2 Institutions Code, to read:

3 18920. To the extent permitted by federal law, the department  
4 shall take all the following actions to improve the Food Stamp  
5 Program at the state and county levels:

6 (a) Seek appropriate waivers that will increase participation in  
7 the Food Stamp Program from the Food Nutrition Service of the  
8 United States Department of Agriculture, to reduce verification  
9 burdens on applicants.

10 (b) Adapt the revised food stamp allocation required under  
11 Section 18901.8, to create an application suitable for mail-in  
12 application and other out of office uses.

13 (c) Develop a standardized mail-in packet for applicant and  
14 develop procedures for administrators handling mail-in cases and  
15 out-of-office cases. These procedures shall seek to minimize  
16 follow-up required by county staff. The procedures shall indicate  
17 all of the following:

18 (1) Other program requirements remain in effect for  
19 individuals using the mail-in application process.

20 (2) Unless eligible for waivers or exemptions, mail-in  
21 applicants may still be required to come into the county office to  
22 complete the application process.

23 (3) Mail-in applicants may still be required to provide  
24 additional information that is necessary to determine eligibility.

25 (4) Applicants in need of emergency or expedited food  
26 assistance should not be encouraged to use the mail-in  
27 application process.

28 (d) Develop and conduct appropriate customer surveys for the  
29 purpose of developing best practice guidelines for improving  
30 customer service and increasing food stamp access. The  
31 guidelines shall be developed, in conjunction with advocates and  
32 counties, including, but not limited to, the following subjects:

33 (1) Making application processing more efficient.

34 (2) Shortening customer office waiting time.

35 (3) Limiting the number of office visits required by customers.

36 (4) Providing for the issuance of mail-in applications.

37 (5) Ensuring the timeliness of worker response to customers.

38 (6) Improving accessibility of workers by telephone or  
39 electronic mail, as appropriate and feasible.

1     ~~SEC. 11. Section 18926 is added to the Welfare and~~  
2     ~~Institutions Code, to read:~~

3     ~~18926. In accordance with Section 273.24(f) of Part 7 of the~~  
4     ~~Code of Federal Regulations, the department shall seek a waiver~~  
5     ~~from the Food and Nutrition Service of the United States~~  
6     ~~Department of Agriculture of the three-month time limit~~  
7     ~~contained in Section 273.24(b) of that part for participation of~~  
8     ~~certain beneficiaries in the Food Stamp Program. The waiver~~  
9     ~~shall be applicable statewide, or for all eligible counties~~  
10    ~~identified in the department's supporting data. An eligible county~~  
11    ~~may opt out of the waiver if the county provides written evidence~~  
12    ~~of official action taken by its board of supervisors to that effect.~~

13    ~~SEC. 11. Section 18926 is added to the Welfare and~~  
14    ~~Institutions Code, to read:~~

15    ~~18926. (a) To the extent permitted by federal law, the~~  
16    ~~department shall annually seek a federal waiver of the existing~~  
17    ~~Food Stamp Program limitation that stipulates that an~~  
18    ~~able-bodied adult without dependents (ABAWD) participant is~~  
19    ~~limited to three months of food stamps in a three-year period~~  
20    ~~unless that participant has met the work participation~~  
21    ~~requirement.~~

22    ~~(b) All eligible counties shall be included in and bound by this~~  
23    ~~waiver unless a county declines to participate in the waiver~~  
24    ~~request. If a county declines, the county shall submit~~  
25    ~~documentation from the board of supervisors of that county to~~  
26    ~~that effect.~~

27    ~~(c) Notwithstanding the rulemaking provisions of the~~  
28    ~~Administrative Procedure Act (Chapter 3.5 (commencing with~~  
29    ~~Section 11340) of Part 1 of Division 2 of the Government Code)~~  
30    ~~the department may implement this section by all county letters~~  
31    ~~or similar instructions.~~

32    ~~SEC. 12. No appropriation for purposes of Section 15200 of~~  
33    ~~the Welfare and Institutions Code shall be made for purposes of~~  
34    ~~implementing this act.~~

35    ~~SEC. 13. If the Commission on State Mandates determines~~  
36    ~~that this act contains costs mandated by the state, reimbursement~~  
37    ~~to local agencies and school districts for those costs shall be~~

- 1 made pursuant to Part 7 (commencing with Section 17500) of
- 2 Division 4 of Title 2 of the Government Code.

O